

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2533-02
Bill No.: HB 1215
Subject: Health Care; Health Care Professionals; Insurance - Medical; Medical Procedures and Personnel
Type: Original
Date: January 18, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
All funds	(Unknown)	(Unknown)	(Unknown)
Insurance Dedicated	\$9,850	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$9,850 to (Unknown)	(Unknown)	(Unknown)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services**, the **Missouri Department of Conservation**, the **Department of Transportation**, and the **Department of Public Safety - Missouri State Highway Patrol** assume this proposal would not fiscally impact their agencies.

Officials from the **Missouri Consolidated Health Care Plan (HCP)** assume this proposal would allow a healthy person to have a bone marrow test and the test results would be filed with the National Marrow Donor Program. HCP assumes an insurance company would provide coverage for one test per member's lifetime.

HCP states according to a local laboratory, bone marrow testing is most commonly billed on the DR multiple CPT code level for each antigen to be identified. The CPT code is 86817 and ranges in cost from \$279 to \$338 per antigen.

HCP assumes since every insured is eligible to undergo this testing, HCP's exposure to this additional cost could be significant. HCP would, in turn, try and recoup this cost by passing it along to the consumers through premium increases. Since it is impossible to determine how many members would actually undergo the testing, the fiscal impact of this proposal is unknown.

Officials from the **Department of Insurance (INS)** assume insurers and HMOs would be required to amend their policies to comply with this legislation. Amendments must be filed with INS. INS estimates that 171 insurers and 26 HMOs would be required to file at least one amendment to their policy form with a filing fee of \$50, resulting in revenue of \$9,850 in FY 2003. INS has reached capacity in policy form reviews and the additional workload created by this legislation would cause delays in policy form reviews. Additional staff are not being requested with this single proposal, but if multiple proposals pass during the legislative session which require policy form amendments, the department would need to request additional staff to handle the increase in workload.

Officials from the **Department of Social Service (DOS) - Division of Medical Service (DMS)** assume this proposal would not have a fiscal impact on DMS. DMS states currently, Missouri Medicaid pays for histocompatibility locus antigen testing for A, B, or C. DMS states DR/DQ antigens donor charges for persons who are not Missouri Medicaid recipients are currently paid through the transplant program with prior authorization. Charges included are the testing of all related donors as well as DR and MLC testing for the final matched donor. The Healthy Children and Youth program reimburses for DR and MLC testing of unrelated potential donors.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
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ALL FUNDS

Cost - All Funds

Increased state contributions	(Unknown)	(Unknown)	(Unknown)
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ESTIMATED NET EFFECT ON ALL FUNDS

<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>
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INSURANCE DEDICATED

Income - Department of Insurance

Form filing fees	<u>\$9,850</u>	<u>\$0</u>	<u>\$0</u>
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ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND

<u>\$9,850</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Local Government

FY 2003 (10 Mo.)	FY 2004	FY 2005
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small businesses could be expected to be fiscally impacted to the extent that they could incur increased health insurance premiums as a result of the requirements of this proposal.

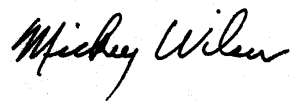
DESCRIPTION

This proposal requires health benefit plans to include coverage for bone marrow testing when the testing is done in a licensed facility and is performed as part of the National Bone Marrow Donor Program.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation
Department of Health
Department of Social Services
Missouri Consolidated Health Care Plan
Department of Insurance
Department of Conservation
Department of Public Safety
Missouri State Highway Patrol

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Acting Director
January 18, 2002